

COMMISSIONERS
KRISTIN K. MAYES
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP



ARIZONA CORPORATION COMMISSION

ORIGINAL

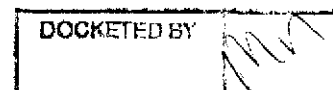
203 JAN 20 PM 3:21
January 20, 2010

CERTIFIED MAIL

Mr. Jere Hansen
Authorized Representative
Casa Grande West Water Company, Inc.
109 West 2nd Street
Casa Grande, Arizona 85122

Arizona Corporation Commission
DOCKETED

JAN 20 2010



RE: CASA GRANDE WEST WATER COMPANY, INC. – APPLICATION FOR A RATE INCREASE, DOCKET NO. W-01990A-09-0573

LETTER OF DEFICIENCY

Dear Mr. Hansen:

In reference to your rate application received on December 21, 2009, this letter (per section R14-2-103.B.7 of the Arizona Administrative Code) is to inform you that your application has not met the sufficiency requirements as outlined in Arizona Administrative Code R14-2-103.

Staff has found several deficiencies with your application, which are listed on a separate attachment. The 30-day sufficiency determination period will begin anew when the company corrects the deficiencies and Docket Control receives an original and fifteen copies of the corrected pages.

You have 15 calendar days, or until February 4, 2010, to correct the deficiencies or make other arrangements with Staff to remedy your rate application. If the corrections or other arrangements are not made by the above date, Staff will request your docket number be administratively closed. Docket Control will retain one copy of the original application for Commission records. You may file an original and sixteen copies of an updated application at a later date.

Casa Grande West Water Company, Inc.
Rate Application
Docket No. W-01990A-09-0573
Test Year Ended June 30, 2009
List of Deficiencies

The specific items that have caused a finding of deficiency are as follows:

1. The bill counts summary sheets submitted have not been completed correctly and contain summation errors. Please reconcile and/or correct.
2. Original cost and accumulated depreciation on Page 15 Utility Plant in Service does not reconcile with the original cost and accumulated depreciation listed on Page 21 Balance Sheet. Please correct.
3. Page 9 and Page 11, Current Rates and Proposed Rates and Charges, of the application do not list the 5-inch meter size found on the Company's approved tariff. Please correct.
4. The Company failed to provide a copy of the Company's bill to customers.
5. The number of meters served on page 6 does not match the number of customer meters on page 17 of the application package; please reconcile.
6. The Company failed to provide a copy of the Arizona Department of Environmental Quality ("ADEQ") water quality compliance status report for the Casa Grande West Water Company, Inc.
7. The Company failed to provide the Company's most recent ADEQ annual sampling fee invoices for its Monitoring Assistance Program.
8. The Company failed to provide a copy of the Arizona Depart of Revenue certificate of compliance letter of good standing for the Casa Grande West Water Company, Inc.
9. The information required on page #16 is incomplete. The Company needs to provide following information:
 - a. Well casing depth
 - b. Year the well was drilled
 - c. How many fire hydrants are in the system
10. Invoices for each plant asset in excess of \$150 for the test year, as well as all of the intervening years since the utility's prior test year.
11. Please provide the duties performed during the test year for the Company by employees Robert Gordon, Steve Smith, and Jacob Wheeler.

In addition to the above items, the below items are not sufficiency issues. However these are issues and/or questions that will need to be address before the final processing of the

List of Deficiencies

Docket No. W-01990A-09-0573

Page 3

- For expense invoices submitted with the Company's application, please indicate on the invoices the expense account to which the invoice relates. Alternatively, the Company may provide a summary including the invoice amount and account to which it relates.
- Please provide the PWS No. for Casa Grande West Water.
- Please provide the fire flow protection requirement for the Company. (It could be in 1,000 gallons per minute for 1 hour or 1,000 gallons per minute for 2 hours, etc.)
- Please provide a copy of arsenic treatment plant design report including but not limit to the treatment capacity.
- Please provide a copy of arsenic treatment plant construction plan including but not limit to site plan, interconnection to the existing water system, backwash system, how to dispose of the waste from backwashing the treatment plant.